



# ***Allowance Budgeting and Execution Working Group Report***

**Presented by  
Audrey Woodward  
SEA 04L4B**

**22 Oct  
03**



# Initial Team Membership (18 Jul 02)

- **Leads:**

- Audrey Woodward (SEA 04L4B)      - CDR Toni Kasprzak (CLF N412A)

- **Members:**

- CDR John Spicer (OPNAV N412C)      - CDR Bert Heck (CNSP N411)
- Sherry Patterson (OPNAV N412F)      - CDR Chris Valle (OPNAV N763)
- Tim Dutcher (SEA 04L412)      - Dave Compton (LS Inc.)
- Katy Vickery (SPAWAR 04L1A)      - Jay Koehler (INS)
- Steve Case (SEALOG N50)      - Chris Demeritt, (INS)
- Carol Weigle (NAVICP 0563)      - Roger McCleskey (Uii)
- Rusti Mitten-Rynard (NAVICP-M 0563)

- **Ad Hoc Members:**

- Rose Davis (NAVICP-M 01)      - Jackie Curtis (FISCPS 43)
- Ed Beck (NAVICP-P)      - Mike Hogan (NAVSUP 4B2D)



# Where we started

- **Mission Statement:**

- To review and improve the current processes for Programming, Budgeting, and Execution of the OPN Outfitting Spares account along with considering how these functions can be better placed and operated/coordinated as outlined in the Joint SYSCOM Supply and Logistics Management MOA dated 24 May 02.

- **General Objectives:**

- To accurately identify and justify OPN Outfitting Spares requirements so that all players in the PPBS process understand and support the requirements (OPNAV Resource/Assessment Sponsors, PEO/PMs, CINCs/TYCOMs, SYSCOMs, FMB, OSD, and Congress).
- Review, document, and make recommendations to improve the OPN Outfitting Spares Baseline Assessment Memorandum (BAM) process.



# Where we started (Cont'd)

- **Assumptions:**

- Focus on the OPN Outfitting Spares account that affects active fleet allowances and not SCN Outfitting or other OPN-8 Initial/Vendor Direct spares accounts.
- Consider reviewing the entire OPN-8 Account after the Outfitting Account Issues and Addressed.

- **Issues/Approach:**

- General:
  - Delineate the roles and responsibilities of all players in the PPBS process:
    - Document/flowchart the BAM process.
  - Outline funding history, including:
    - Shortfalls (No Money File)
    - Continuing deltas between NAVSEA requirements and BAM assessment
  - Review the late '90's study comparing Aviation and Active Fleet Outfitting processes and the decision (with FMB concurrence) to retain funding and execution at NAVSEA (core NAVSEA mission function). Consider fill rate factor in supporting No Asset File requirements.



# Current Team Membership

- Leads:
  - Charles Hall (NAVSEA 04L41)
  - CDR Toni Kasprzak (CFFC)
  - CDR (SEL) Mark Pimpo (ICP-0561)
- Members:
  - Audrey Woodward (NAVSEA 04L4B)
  - Steve Case (SEALOG N50) - CDR Joe Mahan (OPNAV N412C)
  - Joe Bruno (NAVICP-M 0563) - Carol Weigle (NAVICP-M 0563)
  - Lisa Barry (NAVICP-M 05632) - Katy Vickery (SPAWAR 04L1A)
  - Rusti Mitten-Rynard (NAVICP-M 05632) - CDR Bert Heck (CNSF N411)
  - Rose Davis (NAVICP-M 01) - Vicki Gizinski (NAVICP-M 01)



# MAWGC Action Items Status

- **18JUL02-02:** Need to finalize LSRI trigger "Trusted Agent" issue regarding a standard method of requesting data refreshes across all TYCOMs.

4 Mar 03 Status: A draft Trusted Agent Roles and responsibilities document has been developed and is under review by NAVSEA 04L4, NAVICP and Fleet TYCOMs. This issue was also addressed at the 5-6 March FLSIC

**22 Oct 03 Status: SEA 04L4B has prepared a draft letter that outlines the policy regarding Business Rules for the Trusted Agent Setting LSRI Triggers. As this issue is also a FLSIC Action Item, SEA 04L4 will provide the draft policy letter as a handout at the Oct 03 Interim FLSIC for review by Fleet reps for approval prior to distribution. After this issue is addressed at the FLSIC, this action item will be considered complete.**



# MAWG Action Items Status

- **22Oct02-09:** SEA/SUP OPN-8 Outfitting Transition MOA address:
  - SPAWAR/NAVAIR Outfitting requirements
  - DLA "Buy-in" requirements
  - OPNAV N412, N43 & Resource Sponsors interface requirements
  - TYCOM interface requirements (allowances lock-down)
    - Include FLSIC AI 011115-06 (RBS & Non-RBS initiatives)
  - SEA 08H requirements
  - Re-MAD, Distance Support, CM Bandwidth, etc. interface

4 Mar 03 Status: MOA is underdevelopment and will be finalized at the 27 March 03 OPN-8 Transition Team meeting.

**22 Oct 03 Status: The SEA/ICP-M OPN-8 Transition Team has held numerous meetings and has developed an OPN-8 Transition MOA that**

- Cites overarching guidance by modeling the Aviation APN-6 spares process as close as possible
- Reemphasizes NAVSEA's role as Budget Submission Office (BSO) with NAVSEA retaining overall ownership, management and oversight responsibilities.
- Assigns ICP-M as NAVSEA's Agent for specific tasks regarding Outfitting portion of OPN-8 Spares Accounts.
- NAVSEA's Funds Administrator functions transferred from FISC Puget Sound to ICP-M. ICP-M to utilize NAVSEA's Outfitting Requisition Control and Accounting System (ORCAS). Initial/Interim and Vendor Spares accounting functions to be negotiated by ICP-M with individual PEOs.
- Outlines a phased approach to ensure low risk to Fleet customer by having ICP-M demonstrate full capability to satisfy Fleet requirements.

**The MOA has been signed by all four SYSCOMS under the Virtual SYSCOM MOA (VS-MOA-3). A copy of the MOA is provided as a handout for ready reference. This action is considered complete.**



# MAWG Action Items Status

- **22Oct02-16:** TYCOMs to provide NAVSEA 04L4 name of their representative responsible for “D Alts” installation schedules. NAVSEA 04L4 will contact TYCOM representatives in order to determine best method to support unprogrammed D Alts.

4 Mar 03 Status: Still gathering data.

**22 Oct 03 Status: NSCL representatives are still working this issue.**  
**Recommend combining this Action Item with Action Item 4 Mar 03-11.**

- **4Mar03-02:** OPNAV N412 to keep MAWG advised of FY03 Supplemental:
  - Continue to stress how MAWG is being responsible in determining FY03 spending plan and maximizing obligation rates.
  - Need to better “market” the No Money File as being valid Fleet requirements along with ensuring BD and NA File requirements are considered.
  - Continue dialogue on IOCSR.
  - Need to determine how to tie OPN-8 Outfitting reqns to Inter-Deployment Training Cycle (IDTC).

**22 Oct 03 Status: FY03 Supplemental Funding information was provided by OPNAV N412 to MAWG members via Mini-MAWG VTCs during FY03. The FY03 Supplemental funding data was incorporated within SEA 04L4B's "Outfitting Spending Plan" and discussed during various forums. This action item is considered completed.**





# MAWG Action Items Status

- **4Mar03-03:** Regarding OPNAV Spares Assessment process:
  - OPNAV N412C to determine how to narrow the difference in funding OPN-8 and APN-6 Outfitting accounts.
  - OPNAV N412C to have OPNAV N80 to make OPN-8 Outfitting a focus issue for funding guidance.
  - OPNAV N412C to consider funding OPN-8 Outfitting portion at a higher percentage than Initial Outfitting.
  - SEA 04L4 have MAWG involvement in development of future BAM submits:
    - Provide a flowchart of the OPN-8 Spares Budgeting Process.
    - Need Fleet to support Budget Submits during OPNAV N412 assessment.

**22 Oct 03 Status: These concerns were addressed during various Mini-MAWG VTCs. This action item will be considered an 'on-going' requirement.**

- **4Mar03-04:** Regarding FY 03 OPN-8 Spares Budget, SEA 04L4B to:
  - Have MEDLOG to review Medical reqns on hold in NM.
  - Investigate why SEA 05 DC Locker obligations are so low & identify actual items.
  - Breakdown entire No Money File by all TYCOMs/activities and by Battle Group.
  - Fund any remaining FY02 Priority Ship/Priority Systems Outfitting reqns with FY03 Outfitting funding.

**22 Oct 03 Status: Throughout FY03, SEA 04L4B provided MAWG members updates of the "Outfitting Spending Plan" that reflected the desired information cited in this action item. SEA 04L4B will continue to provide this data via a FY04 "Spending Plan". This action item is considered completed.**



# MAWGW Action Items Status

- **4Mar03-05:** Regarding OPN-8 Transition, SEA 04L4/ICP-M 0581:
  - Ensure TYCOM/Fleet involvement for determining measurement of success in transferring FISCPS Outfitting functions to ICP-M.
  - Ensure TYCOM/Fleet involvement in the OPN-8 Allowancing Re-engineering effort.
  - Outfitting portion of OPN-8 transition complete and will be addressed at I-FLSIC.

**22 Oct 03 Status:** This action item is being addressed as an IRCA issue that is currently under review by a COMNAVSURFOR, NAVICP-M and NAVSEA "Tiger Team" which was tasked to address the following CNO PR-05 Action Item:

**"Provide a centralized approach to the initial spares process that achieves site COSAL maintenance "funding mitigation" proposed in N4 IRCA."**

- **4Mar03-10:** Regarding Level-of-Effort (LOE) Program Support Data (PSD) HM&E Budget wedge, SEA 04L4 continue to work with NAVICP-01 to include budget requirements in next BAM submit.

**22 Oct 03 Status:** SEA 04L4 and ICP-M 01 have jointly worked this action item. Per ICP-M, it was determined that based on the documentation reviewed to date, the LOE PSD requirements are already included in Site COSAL requirement. Until evidence is determined otherwise, ICP-M will not submit the HM&E LOE PSD.

**This action item is considered completed.**



# MAWG Action Items Status

- **4Mar03-11:** CNSP N41 will host a meeting with TYCOM N43 representatives to determine Outfitting Budget requirements for future D'ALTs and advise SEA 04L4

**22 Oct 03 Status:** Still determining status of this issue. Keep open until next MAWG. Recommend combining this Action Item with Action Item 22 Oct 02-16.

- **4Mar03-14:** By 14 March 03, TYCOMs to “vote” and prioritize their ships to receive CILS-TAT allowance products and MAWG will factor voting results into decision-making process for executing available funds.

**22 Oct 03 Status:** On 31 July 03, a special CILS-TAT meeting was held with TYCOM reps. NSLC agreed to run ACP/CSM cycle 10 which should have been run in May 03 but was postponed due to the allowance product moratorium agreed to at the March 03 MAWG meeting. The results of the analysis was required to assist with the determination of ships to receive CILS-TAT products. As part of the analysis, NSLC:

- Identified candidate ships/requested TYCOM recommendations
- Conducted analysis/developed reports
- Obtained TYCOM voting (recommended SSVA date and product delivery date)
- Projected funding requirements based on candidate ship category (red/yellow) and TYCOM voting.

**Spreadsheets have been developed to assist with final CILS-TAT product determination at the Oct 03 MAWG.**



# Future Issues

- **FY 04 OPN-8 Spending Plan**
  - MAWG needs to agree to current Outfitting Spending Plan
  - Need Business Rules to Obligate Outfitting Reqs
    - ❖ Address Resource Sponsor Integrity (OPNAV N412)
    - ❖ Address MAWG's Role in Budget Execution



# OPN 8 Outfitting Spend Plan

## FY 04 Funding \$M

FY 04 OPN Outfitting Control \$93.8

<i>FY 04 Must Fund (\$M)</i>	<i>Q</i>	<i>12.4</i>
	<i>ATFP</i>	<i>1.0</i>
	<i>DC Locker</i>	<i>2.4</i>
	<i>Medical</i>	<i>3.3</i>
	<i>TRIDENT</i>	<i>1.0</i>
	<i>FWD DEP</i>	<i>1.3</i>

FY 04 Total Must Funds \$21.4

Unfunded on Hand (NM) FY 03 Carryover \$16.2

NM	\$16.2
BD	28.9
NA	9.5

FY 04 Unfunded Special Programs (Not on Hand) \$ 9.2

Gold Disk Dev FY 03 + 04	1.0
MACALTS FY 03 + 04	1.5
VBSS	6.7

FY 04 Requisitions Due (MOD) \$15.4

CILS TAT Priorities (MAINT) \$ 9.6



# OPN 8 Outfitting Spend Plan

## FY 04 Funding \$ M

FY 04 Total Remaining Funding	72.4
Projected 1st Supplemental	27.2
Total Projected Funding	99.6

Unfunded on Hand (NM)	\$16.2
Unfunded Special Programs	9.2
FY 04 Requisitions Due	15.4
CILS TAT Priorities (MAINT)	9.6



# Allowance Budgeting & Execution SWG Summary

- **SEA/SUP/Fleet Parntership working well via MAWG**
- **Need to Finalize Outfitting Obligation Business Rules**
  - Streamline Prioritization Process
  - Maintain Resource Sponsor Integrity (OPN - N412)
    - ❖ MAWG's Authority Regarding Outfitting Programming vs Execution
- **Need MAWG Support in Outyear Outfitting Budgeting Process to Obtain Funding for Total Requirements**
  - Focus on Initial Mission and Objectives of Allowance Budgeting and Execution SWG:
    - ❖ To Improve Programming, Budgeting and Execution of OPN Outfitting Spares Account
    - ❖ Accurately Identify and Justify OPN Outfitting Spares requirements to obtain full support and requirements
    - ❖ Make recommendations to improve OPN Outfitting Spares Capability Assessment Process (CAP) [Formerly BAM]